

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

APF GROUP, INC.,
d/b/a A.P.F. MASTER FRAMEMAKERS,
a/k/a APF MUNN,

Chapter 11
Case No. 09 B 23696 (RDD)

Debtor.

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**ORDER (I) APPROVING BIDDING PROCEDURES, (II) APPROVING
STALKING HORSE PROTECTIONS, (III) APPROVING THE FORM
AND MANNER OF NOTICE, and (IV) SCHEDULING AN AUCTION
AND SALE HEARING**

Upon the motion (“Motion”) of APF Group, Inc. the above captioned debtor and debtor-in-possession (the “Debtor”), by its attorneys, Rattet, Pasternak & Gordon-Oliver, LLP, seeking entry of an Order (i) establishing bidding procedures, to govern the Sale¹ of substantially all of the Debtor’s Assets between the Debtor and APF Management Company, LLC (the “Purchaser”), subject to higher and better bids; (ii) approving a Break-Up Fee and Expense Reimbursement; (iii) scheduling an Auction to sell the Assets; (iv) scheduling a Sale Hearing to approve the Sale of the Assets in accordance with the Auction; and (v) approving the form and manner of notice of the Sale, the Bidding Procedures, the Auction and the Sale Hearing, and it appearing that the relief requested in the Motion is in the best interests of the Debtor’s estate, its creditors, and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§157 and 1334; and it appearing that this Motion is a core proceeding pursuant to 28 U.S.C. §157; and adequate notice of the Motion and opportunity for objection having been given; and it appearing that no other notice need be given; and this Court

¹ Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the APA.

having conducted a hearing in connection with the Motion on January 21, 2011 (the "Hearing"); and after due deliberation and sufficient cause therefore, it is hereby:

ORDERED, that the Debtor is authorized to conduct an Auction for the sale of the Assets in accordance with the Bidding Procedures; and it is further

ORDERED, that the Bidding Procedures and the Offer & Bidding Registration form annexed to this Order as Exhibit "A" are hereby approved; and it is further

ORDERED, that notice of the contemplated sale and auction in the form annexed to the Motion as Exhibit D shall be advertised in *The New York Times* news paper the week of January 24, 2011; and it is further

ORDERED, that the deadline for submitting bids to become Qualified Bids is February 7, 2011 at 5:00 p.m., at the offices of Debtor's counsel, Rattet, Pasternak & Gordon Oliver, LLP, 550 Mamaroneck Avenue, Harrison, New York 10528; and it is further

ORDERED, that a report of Qualified Bids, if any, shall be filed electronically with the Court by the Debtor's counsel no later than February 8, 2011 at 5:00 p.m.; and it is further

ORDERED, that if any Qualified Bids are received in accordance with the Bidding Procedures, the Debtor will conduct an Auction commencing on February 9, 2011 at 10:00 a.m., at Rattet, Pasternak & Gordon Oliver, LLP, 550 Mamaroneck Avenue, Harrison, NY 10528; and it is further

ORDERED, that if no Qualified Bids, other than the Qualified Bid of Purchaser are timely received, the Debtor may exercise its right to cancel the Auction; and it is further

ORDERED, that all parties to any unexpired executory contract and/or lease with the Debtor shall file lease cure amounts no later than **February 4, 2011 at 5:00 p.m.** and failure of

such parties to file such cure amounts will result in that party being forever barred from asserting a claim different from that set amount forth in the APA annexed to the Motion; and it is further

ORDERED, that the Break-Up Fee and the Expense Reimbursement payable to Purchaser as a super-priority administrative expense claim are hereby approved and shall be payable as set forth in the APA; and it is further

ORDERED, that a hearing shall be held before the Honorable Robert D. Drain, United States Bankruptcy Judge, at the United States Bankruptcy Court, Southern District of New York, 300 Quarropas Street, White Plains, NY 10601 on **February __, 2011** at 10:00 a.m. or as soon thereafter as counsel may be heard (the “Sale Hearing”), to confirm the results of the Auction sale, authorize the sale of substantially all of the Debtor’s Assets and authorize the assumption or rejection of the Assumed Agreements, based upon the results of the Auction, and grant such other related relief as may be deemed necessary or proper by the Court; and it is further

ORDERED, that objections to the relief to be considered at the Sale Hearing shall be filed by **February __, 2010 at 5:00 p.m.** with the Bankruptcy Court at the Court’s website <https://ecf.nyeb.uscourts.gov/cgi-bin/login.pl> (password and log in required), with a copy delivered directly to Chambers and served upon: (a) counsel to the Debtor; (b) counsel to the Creditors’ Committee; (c) counsel to Purchaser; (d) the Office of the United States Trustee; and (e) parties who filed notices of appearance; and it is further

ORDERED, that the Court shall retain jurisdiction over any matter or dispute arising from or relating to the implementation of this Order; and it is further

ORDERED, that the Debtor shall serve this Order, along with the Bidding Procedures, by overnight delivery upon (a) the Office of the United States Trustee; (b) parties who filed notices of appearance; (c) all counter-parties to executory contracts and leases with the Debtor,

or their respective counsel; (d) all parties and entities that previously expressed and interest in acquiring the Debtor's Assets; and (d) all Creditors within one (1) business days of entry of this Order.

Dated: White Plains, New York
January__, 2011

HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE